

BEFORE THE VIRGINIA GAS AND OIL BOARD

REPORT OF THE BOARD  
FINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on June 17, 1997, Dickenson Conference Center, Southwest Virginia Education 4-H Center, Abingdon, Virginia, at which time (1) to allow for the orderly production of the Gas within the Subject Drilling Unit pending further hearing of subject application, the Board temporarily and provisionally approved the application insofar as it sought to create Subject Drilling Unit pursuant to Va. Code § 45.1-361.20 (2) the Board granted to the Applicant's oral motion for leave to amend its application to convert the status of certain of its lessors from that of leased/owned interests being voluntarily pooled to that of Owners/Claimants being compulsory pooled; and (3) except as otherwise hereinabove stated, the Board continued the matter on its docket to afford the Objectors identified in Paragraph 2 hereof an opportunity to investigate, gather and present to the Board data and evidence with respect to their objections to the creation of Subject Drilling Unit as a sealed gob unit and/or to the pooling of all Gas interests therein. On July 15, 1997, Applicant filed its Motion amending the Application. Those parties identified in Paragraph 2 hereof as objectors filed "Objections to Applicant's Motion to

Amend Application and Pooling Application. Applicant's Motion Amending the Application for the creation and pooling of Subject Drilling Unit came on for hearing before the Board on August 19, 1997.

2. Appearances: Written objections to the original application were filed with the Board by (1) C. Dale Harman, Managing Partner, Big Vein Companies (Yukon, Buchanan and Sayers); and (2) by John C. Irvin ("Managing Partner"), Carol C. Irvin ("Owner") and John C. Irvin, III ("Owner") on behalf of Levisa Coal Company. Donald R. Johnson, Esquire, Counsel for Big Vein Companies (Yukon Pocahontas Coal Company, Buchanan Coal Company, Sayers-Pocahontas Coal Company and Georgia-Pacific Corporation) and on behalf of John W. Pobst, Jr., Lynda K. Pobst, Virginia Lee Lenwick, Phillip G. Lenwick, Frederick H. Combs II, Elene M. Combs, Martha E. Combs, Helen C. Johnson, Meredith Ellis Igbal, Carol C. Irvin, John C. Irvin, Carl S. Puckett, Trustee of W. Ken Probst Trust, and Levisa Coal Company (herein collectively "Objectors"). filed objections to Applicant's Motion to Amend Application and Pooling Application. The objections to Motion to Amend Application and Pooling Application were denied by the Board. The Objectors were represented at the Board's August 19, 1997 hearing on the Amended Application by Donald R. Johnson, Esquire. Mark A. Swartz of Kay, Casto, Chaney, Love and Wise, appeared at both hearings for the Applicant and the Operator. Sandra B. Riggs, Assistant Attorney General, was present at both hearings to advise to Board.

3. Jurisdiction and Notice: Pursuant to Va. Code Ann. §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a search of the reasonably available sources to determine the identity and whereabouts of gas and oil owners, coal owners, mineral owners and/or potential owners, i.e., persons identified by Applicant as having ("Owner") or claiming ("Claimant") the rights to Coalbed Methane Gas in all coal seams below the Tiller Seam (hereafter "Subject Formation") in Subject Drilling Unit underlying and comprised of Subject Lands; (2) has given notice to all such parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code Ann. §§ 45.1-361.19 and 45.1-361.22, to notice of the amended Application; and (3) that the persons set forth in Exhibit B-3 hereto are persons identified by Applicant through its due diligence who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formation, in Subject Drilling Unit underlying and comprised of Subject Lands, who have not heretofore agreed to lease or sell to the Applicant and/or voluntarily pool their Gas interests or who have agreed to lease to the Applicant or Operator but claim that said leases do not provide for the voluntary creation of Subject Drilling Unit or for the voluntary pooling of any Gas interests they may have to same, as contemplated by the amended application. Further, the Board has caused notice of this hearing to be published as required by Va. Code Ann. § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Notice of hearing, Revised Exhibit A, page 2; Exhibit B-3.

5. Dismissals: None.

6. Relief Requested: Applicant requests (1) that pursuant to Va. Code Ann. § 45.1-361.20, the Board establish the area identified as VP8-SGU2 and depicted on Exhibit A hereto as Subject Drilling Unit to be served by a minimum of thirteen (13) permitted coalbed methane gas wells and such other existing vertical ventilation holes as the Operator may elect to convert to coalbed methane gas wells (herein "Wells") in order to recover the greatest ultimate recovery of Gas, conform to mine plans and promote mine safety, prevent or assist in preventing waste prohibited by the statute and to protect correlative rights of all persons in the subject common sources of supply in the Subject Lands; (2) that pursuant to Va. Code § 45.1-361.22, including the applicable portions of Va. Code § 45.1-361.21, the Board pool all the rights, interests and estates in and to the Gas in Subject Formations for the drilling and operation, including production, of said Gas from the Subject Drilling Unit underlying and comprised of the Subject Lands (herein sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"); and (3) that the Board designate CONSOL Inc. as Unit Operator.

7. Relief Granted: The requested relief in this cause be and hereby is granted: (1) Pursuant to Va. Code Ann. § 45.1-361.20, the Board hereby establishes the area identified on Exhibit A hereto as VP8 SGU-2 as Subject Drilling Unit to be served by the Wells; (2) pursuant to Va. Code § 45.1-361.21., all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the Applicant, Operator and the known and unknown persons listed on Exhibit B-3, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formation in the Subject Drilling Unit underlying and comprised of the Subject Lands and (3) pursuant to Va. Code Ann. § 45.1-361.21.C.3, CONSOL Inc. (hereafter "Unit Operator") is designated as the Unit Operator authorized to operate the Wells in the Subject Drilling Unit, subject to: the permit provisions contained in Va. Code Ann. § 45.1-361.27 et seq.; to 4 VAC 25-150 et seq., Gas and Oil Regulations; and to 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location(s)</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All coalbeds and coal seams below the Tiller seam, including, but not limited to Upper Seaboard, Greasy Creek, Middle Seaboard, Lower Seaboard, Upper, Horsepen, Middle Horsepen, War Creek, Lower Horsepen, Pocahontas Nos. 9, 8, 7, 6, 5, 4, 3, 2 and various unnamed seams and associated rock strata	Approximately 1,716.01 acres	Thirteen (13) Wells as depicted on Exhibit A hereto and such other wells as Operator may convert from vertical ventilation holes and permit as coalbed methane wells in order to facilitate underground mine safety as contemplated by Va. Code § 45.1-361.20.C	Sealed gob Unit established by this Order	Prior to the effective date of this Order, areas comprising Subject Drilling were governed by OGCB 3-90, as amended, (herein "Oakwood I Field Rules") or VGOB No. 91-1119-0162 as amended herein "Oakwood II Field Rules"), as applicable.

For the Subject Drilling Unit  
underlying and comprised of the Subject  
Land referred to as:

Unit Number VP8-SGU2  
Buchanan County, Virginia

8. Election and Election Period: In the event any Gas Owner or Claimant named in Exhibit B-3 hereto has not or does not reach a voluntary agreement to share in the operation of the Wells to be located in the Subject Drilling Unit at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Applicant or Operator, then such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit

Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

- 9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in Exhibit B-3 who has not or does not reach a voluntary agreement with the Applicant or Operator may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay such Participating Operator's proportionate part of the actual and reasonable costs of the development contemplated by this Order, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Allocable, Completed for Production Costs"). Further, a Participating Operator agrees to pay such Participating Operator's proportionate part of the Allocable, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The Allocable, Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Allocable, Completed-for-Production Costs:

Thirteen (13) Wells @ \$135,841.20	\$1,765,935.60
Sealing of Subject Drilling Unit	
Within VP8 Mine	85,000.00
 Total Allocable Completed-for-Production	
Costs for Subject Drilling Unit	<u>\$1,850,935.60</u>

A Participating Operator's proportionate cost hereunder shall be the total of the results obtained by multiplying the Participating Operators' "Interest in Unit" as set forth in the third column of Exhibit B-3, times the Total Allocable Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Total Allocable, Completed-for Production Costs as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

- 9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who has not or does not reach a voluntary agreement with the Applicant or Operator may elect to accept a cash bonus consideration of \$1.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Coalbed Methane Gas produced from any Well development covered by this Order multiplied by that person's Division of Interest or proportional share of said production [for purposes of this Order, net proceeds shall be actual proceeds received less all post-production costs incurred downstream of the wellhead, including, but not limited to, all gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of record of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, subject to a final legal determination of ownership, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any Well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign, its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who has not or does not reach a voluntary agreement with the Applicant or Operator may elect to share in the development and operation of Subject Drilling Unit on a carried

basis (as a "Carried Well Operator"] so that the proportionate part of the Total Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Applicant until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Total Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Applicant recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the rights, interests, and claims of such electing person in any Well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its rights, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in Exhibit B-3 hereto has not or does not reach a voluntary agreement with the Applicant or Operator and fails to elect within the time, in the manner and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed development and operation of Subject Drilling Unit and shall be deemed, subject to a final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant. Persons who fail to properly elect shall be deemed, subject to a final legal determination of ownership, to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from the Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in Exhibit B-3 elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Total Allocable, Completed-for-Production Cost as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interest, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit B-3 is unable to reach a voluntary agreement to share in the operation of the Wells contemplated by this Order at a rate of payment agreed to mutually by said Owner or Claimant and the Applicant or Operator, and such person elects or fails to elect to do other than participate under Paragraph 9.1 above in the development and operation of the Wells in Subject Formations in Subject Drilling Unit, then subject to a final legal determination of ownership, such person shall be deemed to have and shall have assigned unto Applicant such person's right, interests, and claims in and to said Wells, in Subject Formation in Subject Drilling Unit, and other share in production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said election.

13. Unit Operator (or Operator): CONSOL Inc., be and hereby is designated as Unit Operator authorized to operate the Wells in Subject Formation in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code Ann. §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; and §§ 4 VAC 25-160 et seq.; Virginia Gas and Oil Board Regulations; all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

CONSOL Inc.  
P. O. Box 947  
Bluefield, VA 24605  
Phone: (540) 988-1015  
Fax: (540) 988-1055  
Attn: Leslie K. Arrington

14. Commencement of Operations: Unit Operator has already commenced or caused to be commenced operations for the drilling of the Wells within the Subject Drilling Unit and Unit Operator shall prosecute operation of same



with due diligence. If Unit Operator does not so prosecute, then this Order shall terminate in accordance with the Board's order so finding, otherwise, this Order shall expire at 12:00 P.M. on the date on which all Wells covered by this Order are permanently abandoned and plugged.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are chargeable against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any Well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

By this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, (herein "the Escrow Account") to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described:

Tazewell National Bank  
Trust Department  
c/o Premier Bankshares Corporation  
29 College Drive, P. O. Box 1199  
Bluefield, VA 24605-1199  
Telephone: (540) 322-2242  
Fax: (540) 322-2766

16.1. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and shall, pursuant to Va. Code Ann. § 45.1-361.21.D, and shall be deposited by the Operator into the Escrow Account, commencing within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code Ann. § 45.1-361.21.D.

16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty

payment or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code Ann. §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Operator into the Escrow Account within sixty (60) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

17. Special Findings: The Board specifically and specially finds:

- 17.1. Applicant is a Virginia general partnership comprised of Appalachian Operators, Inc., and Appalachian Methane, Inc., who are indirect, wholly-owned subsidiaries of MCN Corporation. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2 CONSOL Inc. has accepted Applicant's delegation of authority to explore, develop and maintain the properties and assets of Applicant now owned or hereafter acquired, and has consented to serve as coalbed methane gas wells Unit Operator for Subject Drilling Unit and to faithfully discharge the duties imposed upon it as Unit Operator by statute and regulation, all as evidenced by the Exhibits 2, 3 and 4;
- 17.3 CONSOL Inc. is a Delaware corporation duly authorized to transact business in the Commonwealth of Virginia and is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
- 17.4 Applicant, Buchanan Production Company, claims ownership of gas leases, coalbed methane gas leases, and/or coal leases representing 99.26865 percent of the oil and gas interest and 100 percent of the coal interest in Subject Drilling Unit, and applicant claims the right to explore for, develop and produce Coalbed Methane Gas from Subject Formations in Subject Drilling in Buchanan County, Virginia, underlying Subject Lands which are more particularly described in Exhibit "A";
- 17.5 For mine safety reasons, before and during active mining in the VP8 mine underlying Subject Lands, Applicant drilled numerous vertical ventilation holes, some of which Applicant may convert and permit as coalbed methane gas wells for the production of Gas from Subject Drilling Unit. Applicant proposes to permit and drill a minimum of thirteen (13) coalbed methane gas wells pursuant to

either the Oakwood I Field Rules and/or the Oakwood II Field Rules which are to be used by the Operator for the production of Gas from Subject Drilling Unit;

- 17.6 Subject Lands overly a mined-out and sealed area of the VP8 Mine as depicted as VP8-SGU2 on Exhibits A and A-1 hereto;
- 17.7 The estimated total production from Subject Drilling Unit is 6 to 8 BCF. The estimated amount of reserves from the Subject Drilling Unit is 6 to 8 BCF;
- 17.8 Respondents are listed on Exhibit B-3. Set forth in Exhibit B-3 is the name and last known address of each Owner or Claimant identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, who has not, in writing, leased to the Applicant or the Unit Operator and/or agreed to voluntarily pool his interests in Subject Drilling Unit for its development or who have agreed to lease to the Applicant or Operator but claim that said leases do not provide for the voluntary creation of Subject Drilling Unit or for the pooling of their Gas interests in the manner contemplated by the amended Application. The interests of the Respondents listed in Exhibit B-3 comprise 64.407.12 percent of the oil and gas interests and 72.64526 percent of the coal interests in Subject Drilling Unit;
- 17.9 The Board has heretofore established 80-acre drilling units in the Oakwood Coalbed Gas Field I (See OGCB 3-90, as amended herein "Oakwood I Field Rules") and in the Oakwood Coalbed Methane Gas Field II (See VGOB 91-1119-0162, as amended, herein "Oakwood II Field Rules"), for the area underlying and comprised of Subject Lands, but said field rules specifically provide that they do not apply to the production of Gas once mining is complete and the gob area of such mine is sealed.
- 17.10 Applicant testified that the mined-out area of the VP-8 mine underlying Subject Lands and comprising Subject Drilling Unit has been sealed. The VP-8 mine's longwall operation which created the gob area in the Subject Drilling Unit was in the Pocahontas #3 coal seam. The mine map attached to the application filed herein as Exhibits A and A-1 indicate the progress of mining and that mining has been completed within the area of the VP-8 mine underlying Subject Lands. Testimony revealed that mine seals have been installed to create the sealed gob area depicted as VP8-SGU2. At midnight of the day on which the construction of the seals to isolate the mine works shown on Exhibit A were completed, said area was no longer subject to the provisions of the Oakwood I or the Oakwood II Field Rules. Orders heretofore entered by the Board pursuant to Va. Code § 45.1-361.22, and applicable portions of § 45.1-361.21, pooling interests within any of the 80-acre Oakwood drilling units created by the Oakwood I and/or II Field Rules and underlying Subject Lands were likewise no longer applicable to the allocation of production of Gas from the Wells located within

## Subject Drilling Unit.

- 17.11 The Coalbed Methane Gas Drilling Units created by the Oakwood I and Oakwood II Field rules which are encompassed within the area comprising Subject Drilling Unit are: a portion of Units Q-9 through Q-16, a portion of Unit R-9, Units R-10 and S-16, a portion of Unit S-9, Units S-10 through S-16, a portion of Units T-9 through T-16.
- 17.12 The Board has heretofore issued the following pooling orders for the pooling of interests within the Oakwood I and/or II Fields which orders have been recorded with the Clerk of the Circuit Court of Buchanan County. Effective as of midnight on the day on which construction of the seals to isolate the VP-8 mine works in the Pocahontas No. 3 seam are completed, except as otherwise herein provided, the following orders shall become superseded by the terms of this Order with respect to the allocation of production, revenue and costs:

UNIT NO.	VGOB NO.	DATE ENTERED	DATE FILED	DEED BOOK	PAGE NO.
S-13	92-0317-0195	06/03/92	06/09/92	392	235
S-14	92-0317-0196	06/03/92	06/09/92	392	255
S-15	92-0721-0237	08/12/92	08/17/92	396	647
	92-1215-0397	11/02/93	--	--	--
T-13	92-0317-0197	05/28/92	06/05/92	392	56
T-14	92-0317-0198	06/03/92	06/09/92	392	274
T-15	92-0721-0236	08/24/92	08/31/92	397	193
	92-1215-0306	02/12/93	02/24/93	405	118
	94-0920-0469	11/28/94	12/13/94	430	578
T-16	92-1117-0283	01/29/93	02/05/94	404	112
	92-1215-0304	02/12/93	02/24/93	405	103

Notwithstanding anything hereinabove stated, portions of Drilling Units T-14, T-15 and T-16 lie outside of Subject Drilling Unit and will continue to have active or unsealed gob production contemplated by the terms of this Order. This continuing active gob production allocable to the T-14, T-15 and T-16 Units is from the 1 East Longwall Panel in the VP8 mine. As a consequence, the Board's prior pooling orders regarding these three (3) units shall remain in effect and govern continuing active gob production from portions of the T-14, T-15 and T-16 Drilling Units.

- 17.13 To date, other than Applicant and/or Operator, there have been no Owners or Claimants who have elected to be Participating Operators or Carried Operators for any Oakwood I or Oakwood II drilling Unit encompassed within the boundaries of Subject Drilling Unit; therefore, to date the Applicant and/or Unit Operator have borne the total costs of developing and operating said units.
- 17.14 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options

provided in Paragraph 9 above;

17.15 Relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in Exhibit B-3 hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Coalbed Methane Gas, conform to mine plans and promote mine safety, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.

18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of its receipt to each Respondent named in Exhibit B-3 pooled by this Order and whose address is known.

19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

20. Conclusion: The terms and provisions set forth in Paragraph 5 above hereby are granted and IT IS SO ORDERED.

21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 et seq.

22. Effective Date: This Order is effective as a temporary provisional order of the Board with respect to the creation of Subject Drilling Unit as a temporary or provisional order of the Board on June 17, 1997, the date of the initial hearing of this matter, and with respect to the relief set forth in Paragraph 7 above on August 19, 1997.

DONE AND EXECUTED this 6<sup>th</sup> day of November, 1997, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

DONE AND PERFORMED this 6th day of November, 1997, by  
Order of this Board.

Byron T. Fulmer  
Byron Thomas Fulmer  
Principal Executive To The Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WISE )

Acknowledged on this 6th day of November, 1997,  
personally before me a notary public in and for the Commonwealth of Virginia,  
appeared Benny Wampler, being duly sworn did depose and say that he is  
Chairman of the Virginia Gas and Oil Board, that he executed the same and was  
authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires July 31, 1998

STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

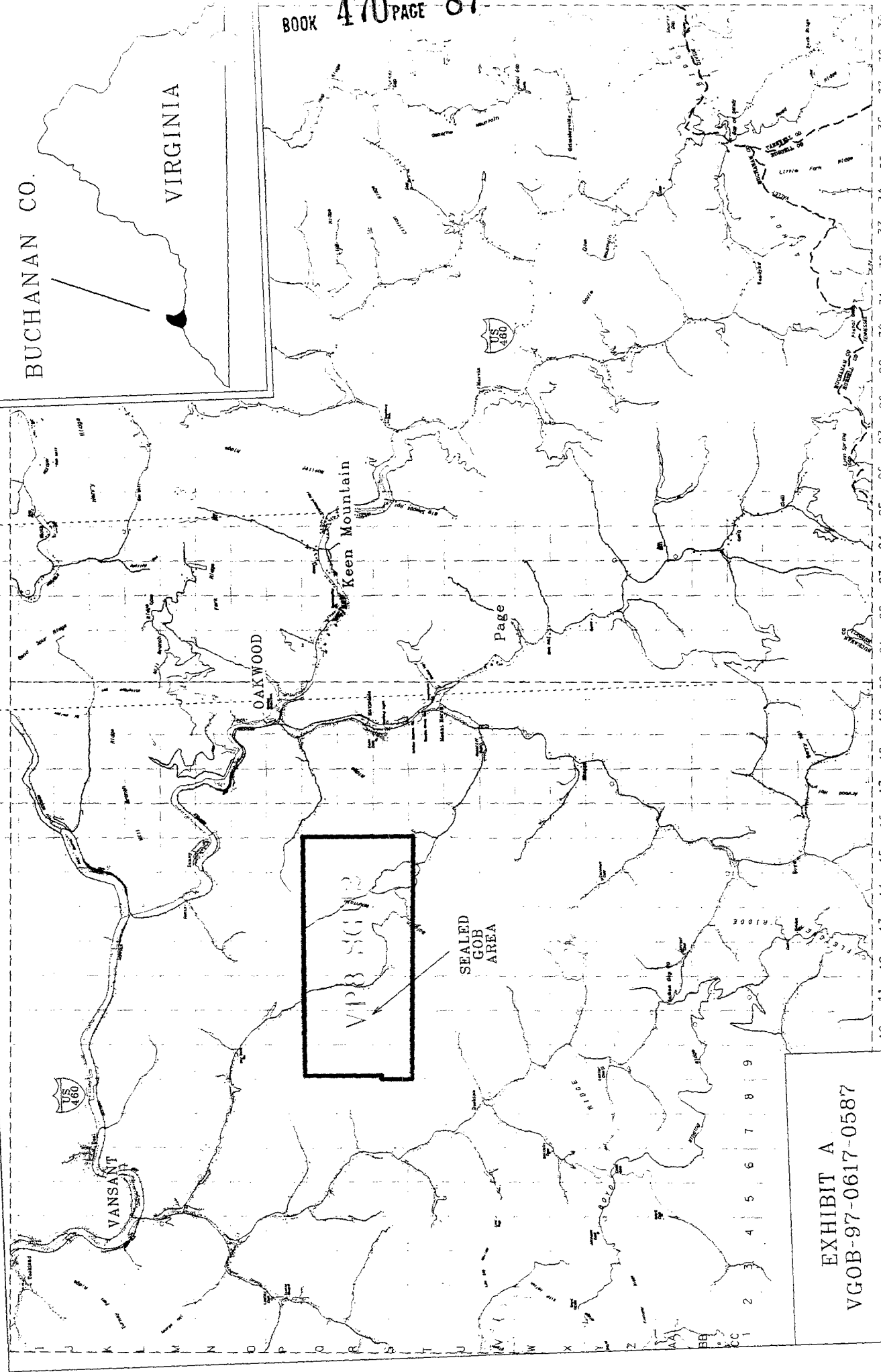
Acknowledged on this 6th day of November, 1997,  
personally before me a notary public in and for the Commonwealth of Virginia,  
appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is  
Principal Executive to the Staff of the Virginia Gas and Oil Board, that he  
executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires September 30, 2001

BUCHANAN CO.

VIRGINIA



KEEN MTN. QUAD

VANSANT QUAD

EXHIBIT A  
VGOB-97-0617-0587

CONSOL Inc.  
Plat Legend  
Property and Lease Information  
Unit VP 8 SGU-2

1. Levisa Coal Corporation, et al, Tr. 7 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
34.24 acres - 1.99533%
2. Levisa Coal Corporation, et al, Tr. 68 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
81.26 acres - 4.73540%
3. Levisa Coal Corporation, et al, Tr. 9 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
45.22 acres - 2.63518%
4. Georgia Pacific Corpation, Tr. 1 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
131.98 acres - 7.69110%
5. Levisa Coal Corporation, et al, Tr. 8 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
7.19 acres - 0.41900%
6. Yukon Pocahontas Coal Co. et al, Tr. 12 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
50.61 acres - 2.94928%



7. Yukon Pocahontas Coal Co. et al, Tr. 131 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
554.17 acres - 32.29410%
8. Big Axe Land Company, Tr. 30 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Island Creek Coal Company - Oil & Gas  
Buchanan Production Company - CBM Lessee  
3.63 acres - 0.21154%
9. Yukon Pocahontas Coal Co. et al, Tr. 8 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
49.66 acres - 2.89392%
- 10A. Big Axe Land Company, Tr. 1 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Garden Realty Corporation - Oil & Gas  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
51.45 acres - 2.99823%
- 10B. Big Axe Land Company, Tr. 1 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Oakwood Gathering Company - Oil & Gas  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
98.27 acres - 5.72666%
- 10C. Big Axe Land Company, Tr. 1 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Garden Realty Corporation - Oil & Gas  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
44.53 acres - 2.59497%

- 10D. Big Axe Land Company, Tr. 1 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Garden Realty Corporation - Oil & Gas  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
3.77 acres - 0.21970%
11. Yukon Pochahontas Coal Co. et al, Tr. 55 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
156.95 acres - 9.14622%
12. Big Axe Land Company, Tr. 8 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
39.70 acres - 2.31351%
13. Yukon Pochahontas Coal Co. et al, Tr. 128 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
208.86 acres - 12.17126%
14. Yukon Pochahontas Coal Co. et al, Tr. 130 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - CBM Lessee  
58.44 acres - 3.40557%
15. Big Axe Land Company, Tr. 3 - Coal, Oil & Gas  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
82.41 acres - 4.80242%
- 16A. Big Axe Land Company, Tr. 2 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Jerry Raines - Oil & Gas  
Buchanan Production Company - CBM Lessee  
12.55 acres - 0.73135%

- 16B. Big Axe Land Company, Tr. 2 - Coal  
Coal Lessees  
Island Creek Coal Company - coal below Tiller  
Jewell Smokeless Coal Corporation - Tiller and above  
Iris Lee Nunley - Oil & Gas  
Buchanan Production Company - Oil & Gas Lessee  
Buchanan Production Company - CBM Lessee  
1.12 acres - 0.06527%

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Exhibit B-3  
List of Unleased Owners/Claimants

	Net Acres In Unit	Interest in Unit
<b>I. OIL &amp; GAS FEE OWNERSHIP</b>		
<b><u>TRACT #16A - 12.55 acres</u></b>		
(1) Jerry Raines P. O. Box 132 Oakwood, VA 24631	12.55 acres	0.73135%
<b><u>TRACT # 12 - 39.70 acres</u></b>		
(1) (Surface Owner CBM Claimant)  B. F. McGlothlin Heirs, Devisees, Successors or Assigns	39.70	2.31351%
(1) Bennie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258		
(1) Bonnie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258		
(1) Ralph Edward McGlothlin 94 Collins Crest Cedar Bluff, VA 24609		
(1) Robert D. McGlothlin Rt. 1 Box 273F Dublin, VA 24084		
(1) Ruby B. McGlothlin 207 West Fincastle Drive Tazewell, VA 24651		
(1) Helen E. Counts 1334 Augusta Street Bluefield, WV 24701		
(1) Frankie Mae Street Heirs, Devisees, Successors or Assigns		
(a) N. D. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614		
(b) H. A. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614		
(c) Gaynell S. Fowler Rt. 2, Box 263 Moorehaven, FL 33471		
(d) James H. Street P. O. Box 2100 Grundy, VA 24614		

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Exhibit B-3  
List of Unleased Owners/Claimants

	Net Acres in Unit	Interest in Unit
(e) Marcus A. Street Address Unknown		
(f) Robert D. Street Address Unknown		
(g) David A. Street Address Unknown		
(h) Lauren F. Street Address Unknown		
(i) Russell K. Street 110 Buford Avenue Anderson, SC 29621		
(j) Susan S. Hoffman 4215 Langley Avenue St. Bernard, OH 45217		
(k) Colleen S. Mellors 17 Commercial Road Devizes, Wiltshire SN1D-1UK		
(l) Stephen Street RD 1, Sunset Lake Road Richmond, OH 43944		
(m) Lisa Street RD 1, Sunset Lake Road Richmond, OH 43944		
(n) Nelgie Lane Street P. O. Box 1460 Grundy, VA 24614		
(o) Barry Dale Norris P. O. Box 3328 CRS Johnson City, TN 37615		
(p) Michael Norris 590 County Home Road Blountville, TN 37617		
(q) Ann Norris Reid 2924 SE Alder Street Portland, OR 97214		
(r) Frank Arthur Norris 2005 Sandlewood Drive Dunwoody, GA 20350		
(s) Dwight Douglas Norris Rt. 3, Brumley Circle Lebanon, VA 24266		
(t) Benjamin A. Street Rt. 2, Box 125 Vansant, VA 24658		

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Exhibit B-3  
List of Unleased Owners/Claimants

	Net Acres in Unit	Interest in Unit
(u) Daniel S. Street Rt. 2, Box 125 Vansant, VA 24656		
(v) Jill Nicole Street Rt. 2, Box 125 Vansant, VA 24656		
(1) Joseph Blair McGlothlin P. O. Box 71 Cedar Bluff, VA 24609		
(1) Catherine M. Warren 2208 Wingfield Road Charlottesville, VA 22901		
(1) Nannie P. Lockhart Rt. 1 Box 79 Pounding Mill, VA 24637		
(1) Mary & D.A. McGlothlin, Sr. P.O. Box 904 Grundy, VA 24614		
(1) Billy Sue Dixon Rt. 1, 200 Heather Rd. Bristol, VA 24201		
(1) Peggy & Henry Durham 2232 Island Road Blountville, TN 37617		
(1) Rose Myrtle Wampler P. O. Box 70 Oakwood, VA 24631		
(1) Woodrow & Sally McGlothlin Box 266 Oakwood, VA 24631		
(1) Doris Ann McGlothlin P. O. Box 428 Raven, VA 24639		
(1) Francis Ann Borkey 503 Ridgely Lane Richmond, VA 23229		
(1) James Lloyd McGlothlin Rt. 3, Box 67 Cedar Bluff, VA 24609		
(1) Una Lee Mulligan Bailey P. O. Box 51 Richlands, VA 24641		
(1) Cecil Earl McGlothlin 314 Toria Drive Statesville, NC 28677		

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Exhibit B-3  
List of Unleased Owners/Claimants

	Net Acres In Unit	Interest in Unit
(1) Norman McGlothlin 6107 63rd Place Riverdale, MD 20737		
(1) Ann M. Mullins 3343 Nottingham Drive Tallahassee, FL 32312		
(1) Mike Mullins 1445 Westerly Terrace Los Angeles, CA 90026		
(1) Charles Robert Dixon 106 West Park Drive Kingsport, TN 37662		
(1) Gladys Jessee 413 North Street Richlands, VA 24641		

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Addendum to Exhibit B-3  
Lessors to be Force Pooled

	Net Acres in Unit	Interest in Unit
<b>I. COAL FEE OWNERSHIP</b>		
<b><u>TRACT #1 - 34.24 acres</u></b>		
(1) Levisa Coal Company, et al Tr. 7	34.24 acres	1.99533%
(a) Helen C. Johnson P.O. Box 604 Grundy, VA 24614	4.28 acres 1/8 of 34.24 acres	0.24942%
(b) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	1.43 acres 1/24 of 34.24 acres	0.08314%
(c) Elene & Frederick H. Combs, II P.O. Box 841 Tazewell, VA 24651	1.43 acres 1/24 of 34.24 acres	0.08314%
(d) Martha E. Combs P.O. Box 1404 Abingdon, VA 24210	1.43 acres 1/24 of 34.24 acres	0.08314%
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	1.43 acres 1/24 of 34.24 acres	0.08314%
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	1.43 acres 1/24 of 34.24 acres	0.08314%
(g) Carl Puckett Trustee of W. Kent Pobst Trust P.O. Box 790 Richlands, VA 24641	2.85 acres 1/12 of 34.24 acres	0.16628%
(h) Meredith E. Iqbal 2418 West Linden Street Nashville, TN 37212	2.85 acres 1/12 of 34.24 acres	0.16628%
(i) Levisa Coal Company c/o John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	17.12 acres 1/2 of 34.24 acres	0.99766%
<b><u>TRACT #2 - 81.26 acres</u></b>		
(1) Levisa Coal Company, et al Tr. 68	81.26 acres	4.73540%
(a) Helen C. Johnson P.O. Box 604 Grundy, VA 24614	10.16 acres 1/8 of 81.26 acres	0.59193%
(b) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	3.39 acres 1/24 of 81.26 acres	0.19731%
(c) Elene & Frederick H. Combs, II P.O. Box 841 Tazewell, VA 24651	3.39 acres 1/24 of 81.26 acres	0.19731%



BOOK **470** PAGE **97**  
 VP 8 - S G U 2  
 Docket No. VGOB-97/06/17-0587  
 Addendum to Exhibit B-3  
 Lessors to be Force Pooled

	Net Acres in Unit	Interest in Unit
(d) Martha E. Combs P.O. Box 1404 Abingdon, VA 24210	3.39 acres 1/24 of 81.26 acres	0.19731%
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	3.39 acres 1/24 of 81.26 acres	0.19731%
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	3.39 acres 1/24 of 81.26 acres	0.19731%
(g) Carl Puckett Trustee of W. Kent Pobst Trust P.O. Box 790 Richlands, VA 24641	6.77 acres 1/12 of 81.26 acres	0.39462%
(h) Meredith E. Iqbal 2418 West Linden Street Nashville, TN 37212	6.77 acres 1/12 of 81.26 acres	0.39462%
(i) Levisa Coal Company c/o John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	40.63 acres 1/2 of 81.26 acres	2.36770%
<b><u>TRACT #3 - 45.22 acres</u></b>		
(1) Levisa Coal Company, et al Tr. 9 & 11	45.22 acres	2.63518%
(a) Helen C. Johnson P.O. Box 604 Grundy, VA 24614	5.65 acres 1/8 of 45.22 acres	0.32940%
(b) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	1.88 acres 1/24 of 45.22 acres	0.10980%
(c) Elene & Frederick H. Combs, II P.O. Box 841 Tazewell, VA 24651	1.88 acres 1/24 of 45.22 acres	0.10980%
(d) Martha E. Combs P.O. Box 1404 Abingdon, VA 24210	1.88 acres 1/24 of 45.22 acres	0.10980%
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	1.88 acres 1/24 of 45.22 acres	0.10980%
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	1.88 acres 1/24 of 45.22 acres	0.10980%
(g) Carl Puckett Trustee of W. Kent Pobst Trust P.O. Box 790 Richlands, VA 24641	3.77 acres 1/12 of 45.22 acres	0.21960%

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Addendum to Exhibit B-3  
Lessors to be Force Pooled

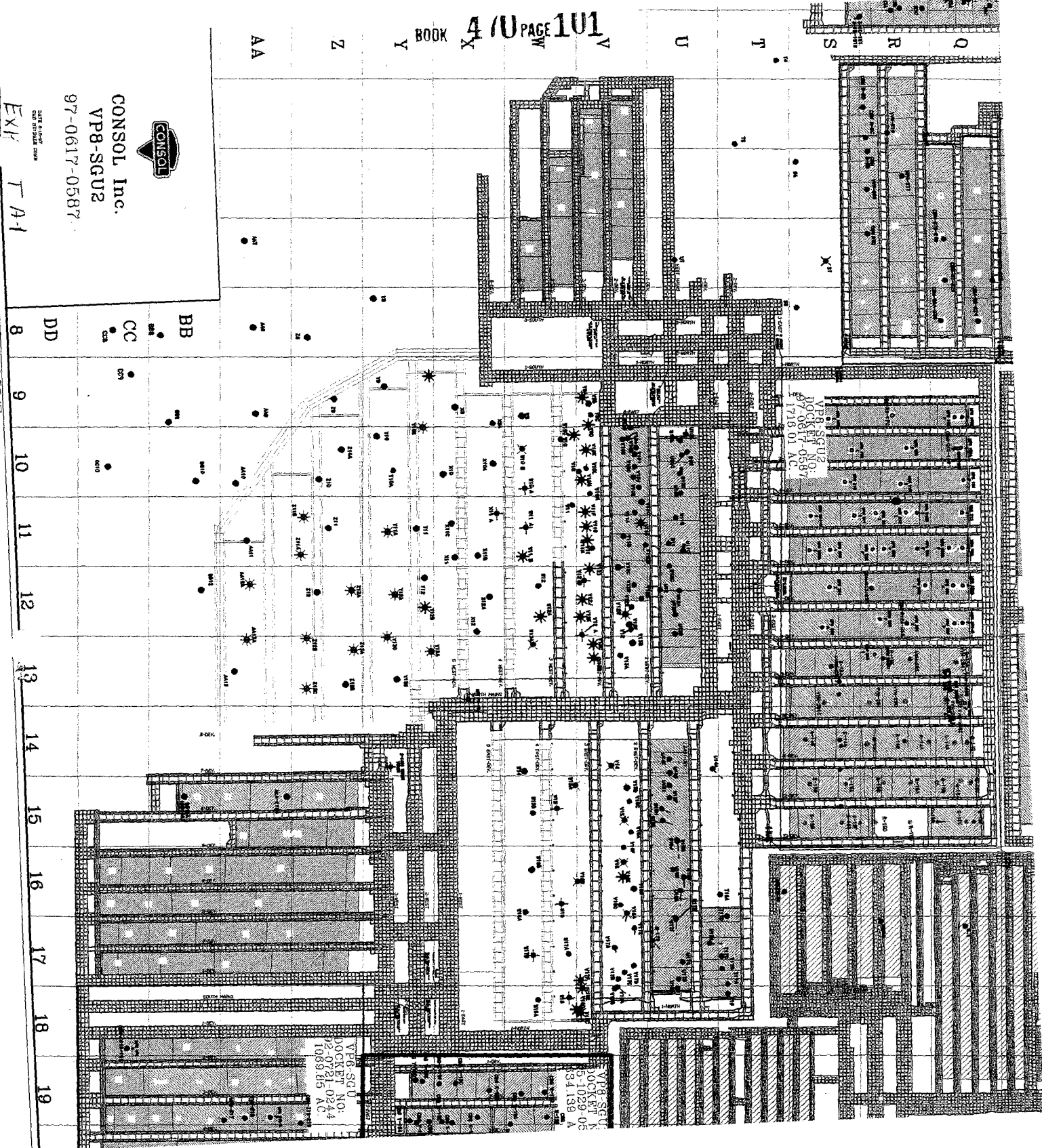
	Net Acres in Unit	Interest in Unit
(h) Meredith E. Iqbal 2418 West Linden Street Nashville, TN 37212	3.77 acres 1/12 of 45.22 acres	0.21960%
(i) Levisa Coal Company c/o John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	22.61 acres 1/2 of 45.22 acres	1.31759%
<b><u>TRACT #5 - 7.19 acres</u></b>		
(1) Levisa Coal Company, et al Tr. 8	7.19 acres	0.41900%
(a) Helen C. Johnson P.O. Box 604 Grundy, VA 24614	0.90 acres 1/8 of 7.19 acres	0.05237%
(b) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	0.30 acres 1/24 of 7.19 acres	0.01746%
(c) Elene & Frederick H. Combs, II P.O. Box 841 Tazewell, VA 24651	0.30 acres 1/24 of 7.19 acres	0.01746%
(d) Martha E. Combs P.O. Box 1404 Abingdon, VA 24210	0.30 acres 1/24 of 7.19 acres	0.01746%
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	0.30 acres 1/24 of 7.19 acres	0.01746%
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	0.30 acres 1/24 of 7.19 acres	0.01746%
(g) Carl Puckett Trustee of W. Kent Pobst Trust P.O. Box 790 Richlands, VA 24641	0.60 acres 1/12 of 7.19 acres	0.03492%
(h) Meredith E. Iqbal 2418 West Linden Street Nashville, TN 37212	0.60 acres 1/12 of 7.19 acres	0.03492%
(i) Levisa Coal Company c/o John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	3.60 acres 1/2 of 7.19 acres	0.20950%
<b><u>TRACT #6 - 50.61 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 12 P. O. Box 187 Tazewell, VA 24651	50.61 acres	2.94928%

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Addendum to Exhibit B-3  
Lessors to be Force Pooled

	Net Acres in Unit	Interest in Unit
<b><u>TRACT #7 - 554.17 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 131 P. O. Box 187 Tazewell, VA 24651	554.17 acres	32.29410%
<b><u>TRACT #9 - 49.66 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 8 P. O. Box 187 Tazewell, VA 24651	49.66 acres	2.89392%
<b><u>TRACT #11 - 156.95 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 55 P. O. Box 187 Tazewell, VA 24651	156.95 acres	9.14622%
<b><u>TRACT #13 - 208.86 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 128 P. O. Box 187 Tazewell, VA 24651	208.86 acres	12.17126%
<b><u>TRACT #14 - 58.44 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 130 P. O. Box 187 Tazewell, VA 24651	58.44 acres	3.40557%
<b>II. <u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
<b><u>TRACT #1 - 34.24 acres</u></b>		
(1) Pobst/Combs	34.24 acres	1.99533%
(a) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	2.8533 acres 1/12 of 34.60 acres	0.16628%
<b><u>TRACT #2 - 81.26 acres</u></b>		
(1) Pobst/Combs	81.26 acres	4.73540%
(a) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	6.7717 acres 1/12 of 81.26 acres	0.39462%
<b><u>TRACT #3 - 45.22 acres</u></b>		
(1) Pobst/Combs	45.22 acres	2.63518%
(a) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	3.7683 acres 1/12 of 47.75 acres	0.21960%

VP 8 - S G U 2  
Docket No. VGOB-97/06/17-0587  
Addendum to Exhibit B-3  
Lessors to be Force Pooled

	Net Acres in Unit	Interest in Unit
<b><u>TRACT #5 - 7.19 acres</u></b>		
(1) Pobst/Combs	7.19 acres	0.41900%
(a) Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	0.5992 acres 1/12 of 7.19 acres	0.03492%
<b><u>TRACT #6 - 50.61 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 12 P. O. Box 187 Tazewell, VA 24651	50.61 acres	2.94928%
<b><u>TRACT #7 - 554.17 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 131 P. O. Box 187 Tazewell, VA 24651	554.17 acres	32.29410%
<b><u>TRACT #9 - 49.66 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 8 P. O. Box 187 Tazewell, VA 24651	49.66 acres	2.89392%
<b><u>TRACT #11 - 156.95 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 55 P. O. Box 187 Tazewell, VA 24651	156.95 acres	9.14622%
<b><u>TRACT #13 - 208.86 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 128 P. O. Box 187 Tazewell, VA 24651	208.86 acres	12.17126%
<b><u>TRACT #14 - 58.44 acres</u></b>		
(1) Yukon Pocahontas Coal Co. et al. Tr 130 P. O. Box 187 Tazewell, VA 24651	58.44 acres	3.40557%



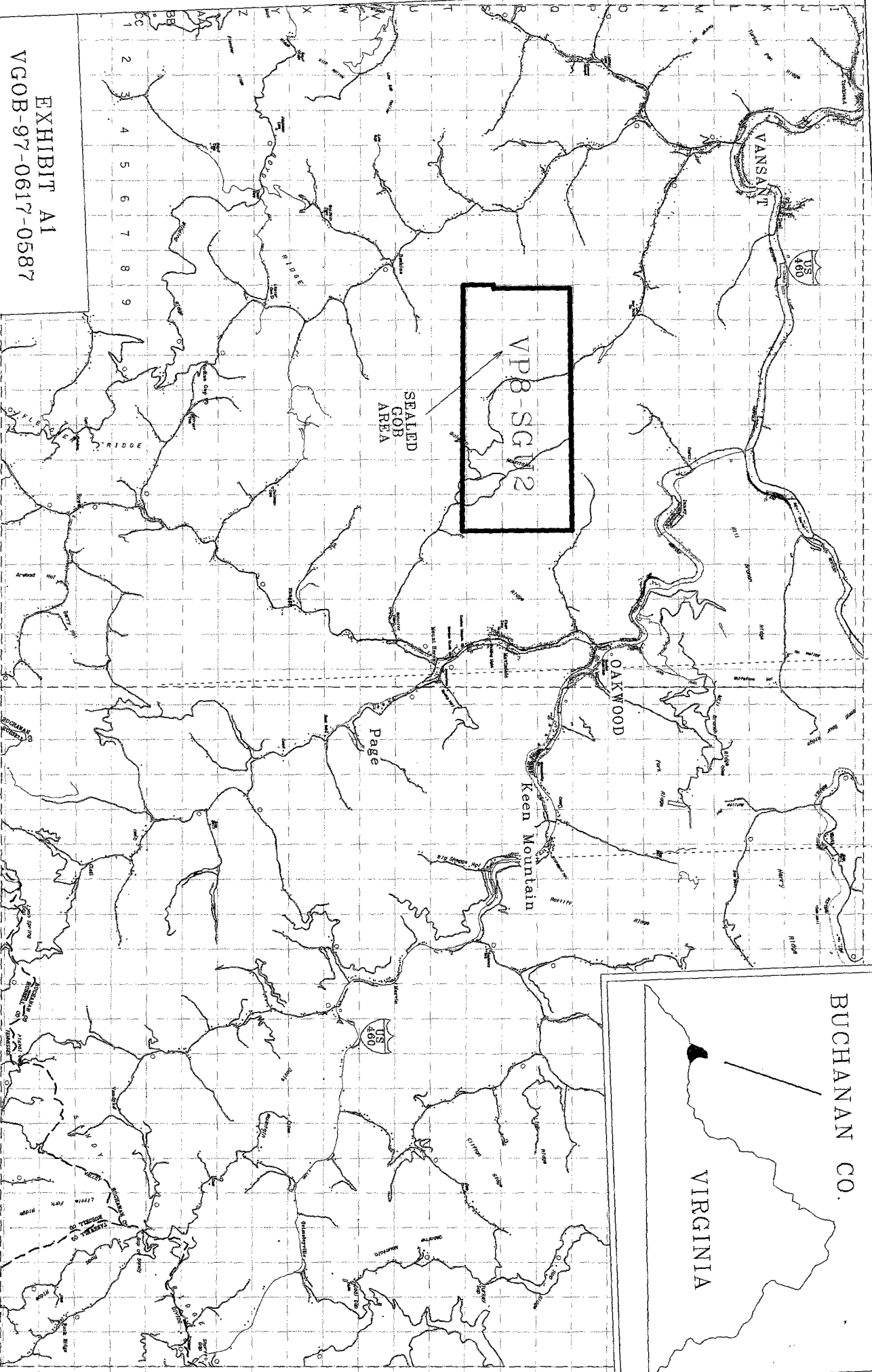
VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 30th day of November, 19 97. 21P M.  
 Deed Book No. 470 and Page No. 13 James M. Bevins, Jr., Clerk  
 Returned this date to: Deputy Mays Abraham, VA TESTE: Patricia Lane Deputy Clerk

EXHIBIT A1  
VGOB-97-0617-0587

10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40

VANSANT QUAD

KEEN MTN. QUAD



BUCHANAN CO.

VIRGINIA